

**Statement of PPL Montana
Before the Natural Resources Committee
Of the Montana Senate
In Support of Senate Joint Resolution No. 36
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I'm David Hoffman, Director of External Affairs for PPL Montana—operator and part-owner of the Colstrip Steam Electric Station in eastern Montana and the J.E. Corette coal-fired power plant in Billings. PPL Montana also operates eleven hydroelectric facilities in Montana.

PPL Montana takes the issue of climate change seriously and believes it is important to develop options for the continued use of Montana's coal resources in environmentally responsible ways. We were one of the first industry members of the Big Sky Carbon Sequestration Partnership at Montana State University. We participated in the Montana Climate Change Advisory Committee and we're involved in a carbon capture demonstration project at the University of North Dakota.

SJR 36 would direct the Montana Legislature to address the potential economic and environmental impacts of federal greenhouse gas reduction programs. As many members of this Committee are already aware, federal action on the issue of climate change has accelerated rapidly.

Last week, two key members of Congress released a draft of a comprehensive bill designed to achieve significant greenhouse gas reductions and implement renewable energy standards. The bill requires reductions from energy and transportation industries and includes new efficiency standards for buildings, lighting and appliances.

The U.S. Senate expects to have a comprehensive energy bill ready by the end of summer. The Senate legislation will likely include mandatory greenhouse gas reductions and renewable energy requirements.

Action on this issue is not limited to Congress. Two weeks ago, the U.S. Environmental Protection Agency declared that greenhouse gases are pollutants. This action came from a 2007 court decision ordering the EPA to determine whether or not greenhouse gases should be regulated as pollutants under the Clean Air Act. This decision certainly puts pressure on Congress to approve climate change legislation.

These federal actions will have significant impact on Montana's energy producers and consumers. It's critical for the Montana Legislature to examine these impacts and help position the State to respond.

I encourage the members of the Committee to give this Resolution a "do pass" recommendation.

Thank you for the opportunity to comment.